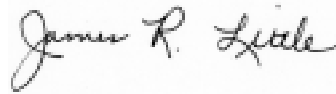


**UNITED STATES DEPARTMENT OF AGRICULTURE**Farm Service Agency  
Washington, DC 20250**Notice BU-648****For:** State and County Offices**August 2003 Interest Rate Changes for  
Agricultural Credit Insurance Fund (ACIF) Program****Approved by:** Administrator**1 Announcing Interest Rate Changes****A Interest Rates Reviewed Monthly**

Interest rate changes in the following table are effective August 1, 2003. The "N/C" under the August Rate column indicates no change.

<b>Loan Type</b>	<b>July Rate</b>	<b>August Rate</b>
<b>ACIF Program Loans</b>		
90-Day Treasury Bill	1.125 %	1.00%
Farm Operating - Direct	3.250%	2.75%
Farm Ownership - Direct	5.375%	5.00%
Credit Sales: Farm Ownership - Direct	5.375%	5.00%
Soil and Water - Direct	5.375%	5.00%
Recreation - Individual - Direct	5.375%	5.00%
Association Loans - Regular:		
• Grazing	5.375%	5.00%
• Irrigation and Drainage	5.375%	5.00%
Farmer Program - Homestead Protection	5.375%	5.00%
Shared Appreciation (SA) Amortization	4.375%	4.00%
Softwood Timber Loans	5.375%	5.00%

**Disposal Date**

September 1, 2003

**Distribution**

State Offices; State Offices relay to County Offices

# Notice BU-648

## 1 Announcing Interest Rate Changes (Continued)

### A Interest Rates Reviewed Monthly (Continued)

Loan Type	July Rate	August Rate
<b>ACIF Program Loans (Continued)</b>		
Economic Emergency - Operating	3.25%	2.75%
Economic Emergency - Real Estate	5.375%	5.00%
Emergency - Major Adjustment:		
• Subtitle A Purpose (Excess of Loss)	7.25 %	N/C
• Subtitle B Purpose (Excess of Loss)	4.75 %	N/C
Emergency - Annual Production	4.75 %	N/C
<b>ACIF Nonprogram Loans - Credit Sales</b>		
Farm Program - Chattel Property	4.75 %	N/C
Farm Program - Real Property	7.25 %	N/C
<b>CCC Funded Loans</b>		
Apple Loans	1.875 %	1.50%
<b>RHIF (Funded Direct Farm Ownership) Loans</b>		
Housing Program 502 for low or moderate income	6.00 %	5.375%
<b>All Loan Types</b>		
Treasury Judgement Rate (See note below)	1.08 %	1.07%

**Note:** Treasury Judgement Rate is the interest rate applicable to deficiency judgements for all loan types (pursuant to 28 U.S.C. Section 1961). The rate is based on the weekly average 1-year Constant Maturity Treasury (CMT) yield published by the Federal Reserve System, Board of Governors. The rate shown in this notice (for August) is the most current rate posted to the Federal Reserve website and is dated the week ending July 4, 2003. The actual judgement rate is the rate for the calendar week preceding the date the defendant becomes liable for interest. Access the Federal Reserve website [www.federalreserve.gov/releases/H15/current](http://www.federalreserve.gov/releases/H15/current) for the weekly average 1-year CMT yield.

## Notice BU-648

### 1 Announcing Interest Rate Changes (Continued)

#### B Other Interest Rates

These interest rates seldom change, but for convenience are published monthly.

Loan Type	Current Rate	Date Set
<b>ACIF Program Loans</b>		
Farm Operating - Direct, Limited Resource	5.00 %	12/01/90
Farm Ownership - Direct, Limited Resource	5.00 %	04/01/86
Farm Ownership - Direct, Joint Financing	5.00 %	03/24/97
Credit Sales: Farm Ownership - Direct, Limited Resource	5.00 %	04/01/86
Farm Ownership - Direct Down Payment, Beginning Farmer or Rancher	4.00 %	04/01/86
Soil and Water - Direct, Limited Resource	5.00 %	07/01/92
Indian Land Acquisition	5.00 %	02/01/91
Emergency - Amount of Actual Loss	3.75 %	01/25/94

#### C Notifying Personnel

SED's, Farm Loan Managers, and Farm Loan Chiefs shall notify all personnel of these rates upon receipt.

#### D Interest Rates Available on the FFAS Intranet

Access the FFAS Intranet at <http://intra4.fsa.usda.gov/edso/flpwdc/default.asp> for these interest rates.